

BCI Exhibit 649

Topic 3

Request:

To the extent that LBI customers deposited collateral with LBI prior to the Closing to secure their options or futures trading activity: the value, form (e.g., cash, securities, money market account) and location of that collateral at the Closing, deposited by (i) Affiliate Customers and (ii) Non-Affiliate Customers, respectively; the source and timing of Barclays' knowledge of that collateral; whether, when, and the extent to which, Barclays has taken possession of that collateral; and whether, how, and the extent to which, Barclays has booked that collateral in its purchase accounting, including in Exhibits 377A and 546A (futures only).

Topic 3 as supplemented in a letter from Neil J. Oxford to Tricia J. Bloomer dated February 26, 2010:

- *With respect to futures trading, we need to know whether Barclays acquired the accounts of (i) LBI affiliates, and (ii) customers of LBI affiliates. If Barclays did not acquire either or both sets of accounts, whether and what obligations Barclays assumed in connection with LBI affiliates, and customers of LBI affiliates, and pursuant to what agreement(s).*
- *Please explain whether any part of the \$2.197 billion in "collateral posted with LBI by LBI's futures customers to support their futures trading activity as of September, 2008" (Response at 5) was posted by customers whose futures positions Barclays did not acquire under the sale. Please also identify the documentary support for the \$2.197 billion figure.*

Barclays' supplemental response to Topic 3, as supplemented by the February 26, 2010 letter:

Barclays took over customer futures accounts of all non-affiliated customers of LBI. Barclays also took over LBIE's omnibus customer account with LBI.

Barclays took over no affiliate accounts other than the LBIE omnibus customer account referenced above.

Pursuant to the APA and Clarification Letter, Barclays acquired LBI's business as a futures commission merchant. Accordingly, Barclays took over clearing responsibility for all futures positions held by LBI at the time of Closing, regardless of whether the position was held on behalf of LBI, an LBI affiliate, a non-affiliate customer of LBI, or a customer of an LBI affiliate. Moreover, the APA provided that Barclays would acquire "all of Seller's and its applicable Subsidiaries' right, title and interest in, to and under the Purchased Assets", which pursuant to the Clarification Letter expressly included all "exchange-traded derivatives (and any property that may be held to secure obligations

under such derivatives)". BCI Ex. 5 [Clarification Letter] at §§ 1(a)(ii). Barclays therefore acquired all of LBI's right, title, and interest in all exchange traded derivatives.

No part of the \$2.187 billion in "collateral posted with LBI by LBI's futures customers to support their futures trading activity as of September, 2008" was posted by a customer whose accounts Barclays did not acquire under the sale.

As explained in Exhibit 1 to Barclays' Supplemental Responses to Trustee's Second 30(b)(6) Deposition Notice, the data used to arrive at the \$2.187 billion figure referenced in Response No. 3 of Barclays' initial Responses to Trustee's Second 30(b)(6) Deposition Notice was obtained from the RISC system.